

Lieutenant Governor Garamendi Sole Vote Against Drastic Last Minute Student Fee Increases at CSU Trustees Meeting
Garamendi's Alternative Proposal to Tax Big Oil Instead of Students Wins Support of Students and Faculty but not Trustees



Lt. Governor Garamendi talks with students before trustees meeting.

LONG BEACH – With hundreds of students rallying outside the meeting room, the California State University trustees today approved a new 20 percent student fee increase for the fall semester just weeks before classes are set to begin. Lieutenant Governor John Garamendi, a CSU trustee, cast the sole vote against the \$791 fee increase, an increase that comes only two months after the CSU trustees already approved a \$306, or 10 percent, student fee increase in May. With California families struggling to make ends meet in this tight economy, unexpected letters will be sent to parents and working students soon demanding nearly \$800 in additional fees.

Garamendi's proposal to include language supportive of an oil severance tax that would

generate \$1.2 billion annually for CSU, UC, and community colleges did not receive majority support from the trustees. However, a number of students and faculty passionately supported Garamendi's suggestion to fight for new revenue for higher education.

"I've never been one to retreat. However, for two-and-a-half years, and actually a little longer than that, the higher education system has been in full retreat," said Garamendi, who is also a University of California regent. "Now, what do we do about it? Turn tail and run as we have for so many years here or do we stand and fight and move forward? There is an option, there is an opportunity, and I urge this board and all in higher education to do something positive, rather than just on the negative side. We could impose an oil severance tax on oil extracted from the state of California. Over a billion dollars a year, made available to higher education. If this university were to take roughly half of that, the problem that we are facing today would be eliminated."

California is the only oil producing state in the nation without an oil severance tax. Alaska under Governor Sarah Palin has an oil severance tax of 25 percent. A proposal in the California legislature would create an oil severance tax of approximately ten percent.

Outside the CSU trustees meeting, hundreds of students and staff stood in opposition to further cuts to higher education. During public comment, around two dozen staff and student speakers decried the cuts to CSU, and many echoed Garamendi's call to fight harder for the future of California through collaborative effort involving all parties interested in preserving higher education in California.

"The only thing that cannot be done is the thing you never try to do. We have 450,000 students. Many of those students have parents, so let's go to 800,000, and brothers and sisters. And we have the community colleges, which is over 2 million students, and the University of California, which is 160,000," Garamendi explained. "And you start adding up the students alone and we're over a million votes right there. And then we have the alumni. And we have the 400,000 staff that are available. What if we actually put our act together? Now. Join with the UC, join with the community colleges, and start promoting and advocating and rally around a piece of legislation that could this year be on the Governor's desk."

According to a study commissioned by the Campaign for College Opportunity, if an additional two percent of Californians earned associate's degrees and another one percent earned bachelor's degrees, California's economy would grow by \$20 billion, our state and local tax

revenues would increase by \$1.2 billion a year, and 174,000 new jobs would be created.

By 2025, California is projected to have one million college graduates fewer than required to keep pace with economic growth. California faces a shortage of 100,000 teachers by 2016, 14,000 nurses by 2014, and 40,000 engineers by 2014. Student fees have more than doubled at CSU and UC since 1990 and more than tripled at community colleges adjusted for inflation.

The failure to better fund education in California endangers our state's future prosperity. As the nonpartisan Public Policy Institute of California explained in recent report, "Currently planned reductions in funding to the state's colleges and universities will only exacerbate the skills gap. Without concerted effort to improve college attendance and graduation in California, the state's economic and fiscal futures will be much less bright."